

## **FISCAL NOTE**

### **HB 2744 - SB 2719**

February 24, 2006

**SUMMARY OF BILL:** Defines “autism spectrum disorders” and requires any health insurance policy that provides benefits for neurological disorders to provide equal benefits and coverage for “autism spectrum disorders” in persons younger than 21 years of age.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – Exceeds \$36,000**

**Increase Local Govt. Expenditures – Exceeds \$100,000\***

**Other Fiscal Impact - Increase Federal Expenditures - Exceeds \$64,000**

**Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation will increase premiums for health insurance plans that will have to expand coverage or provide coverage for autism spectrum disorders. Such is estimated to exceed \$100,000.**

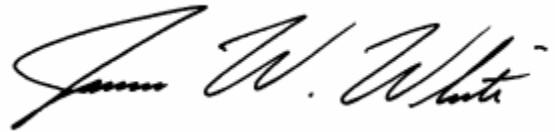
#### **Assumptions:**

- The bill will expand the benefits under the TennCare program’s current definition of medically necessary and will result in an increase in state expenditures exceeding \$36,000 and an increase in federal expenditures exceeding \$64,000.
- There would be an increase in the number of complaints handled by the Consumer Insurance Services Section which would absorb any increase in expenditures within existing resources.
- This bill does not apply to self insured plans and will not have a direct impact on the state and local govt. health plans.
- Local govt. health plans that are not part of the state health plans and that do not provide coverage for autism spectrum disorders or will need to expand coverage are estimated to increase expenditures in an amount that exceeds \$100,000.

\*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increase expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director